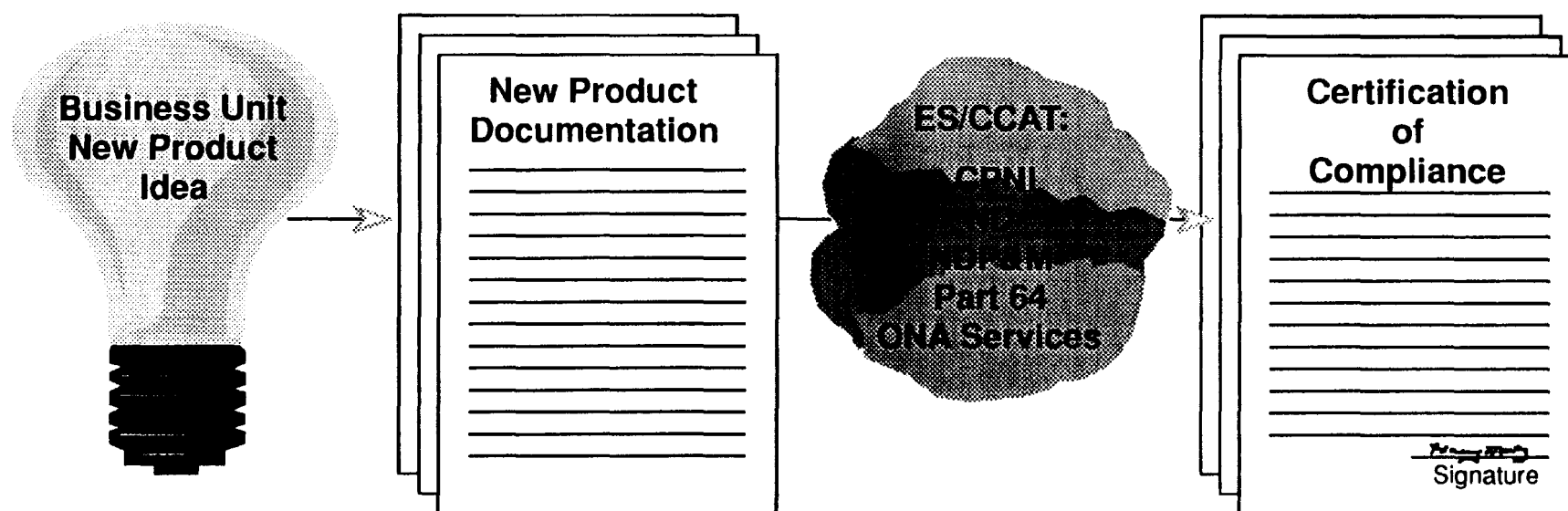


# ES/CCAT Input/Output

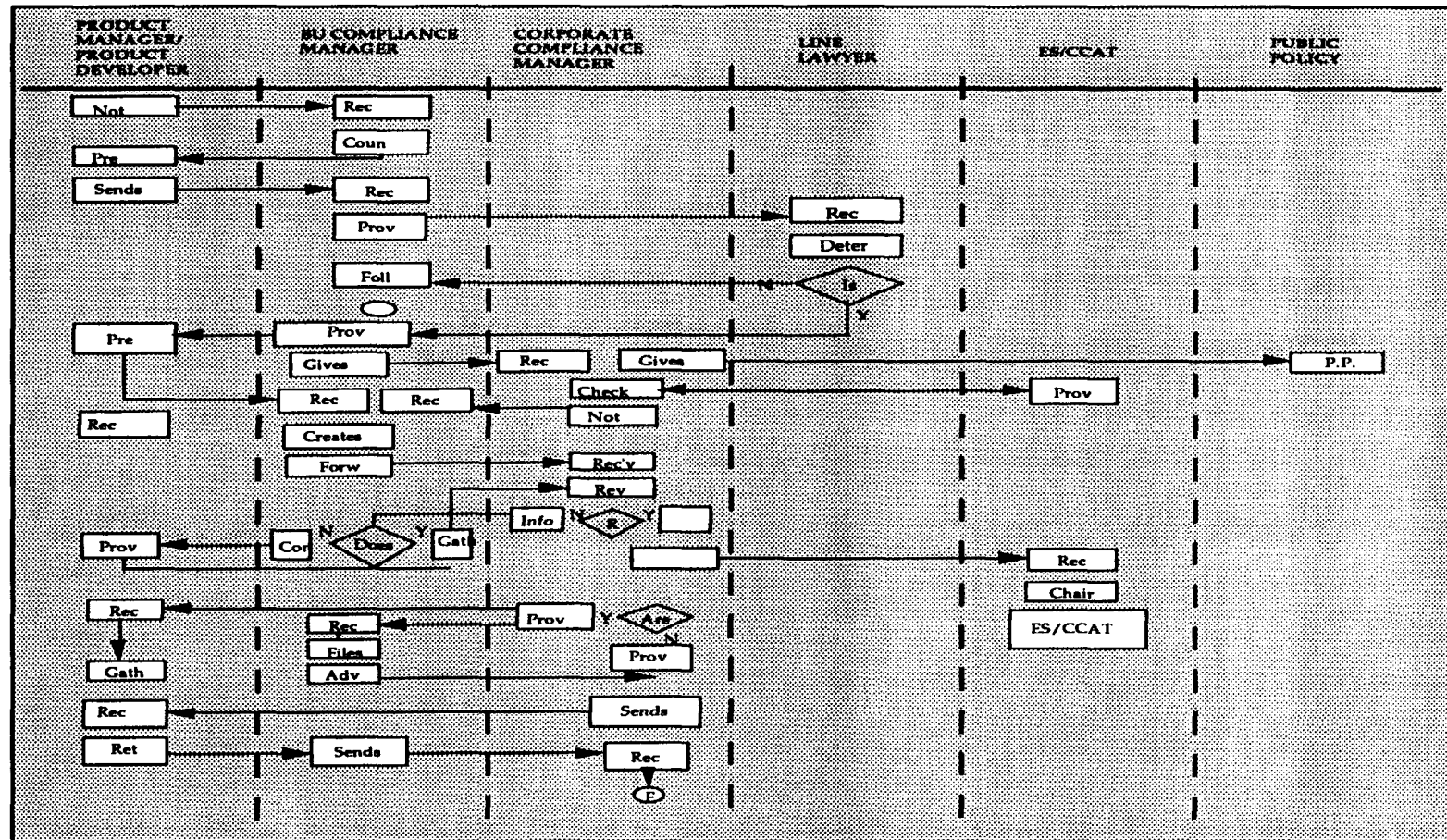


# ONA Service Request Process

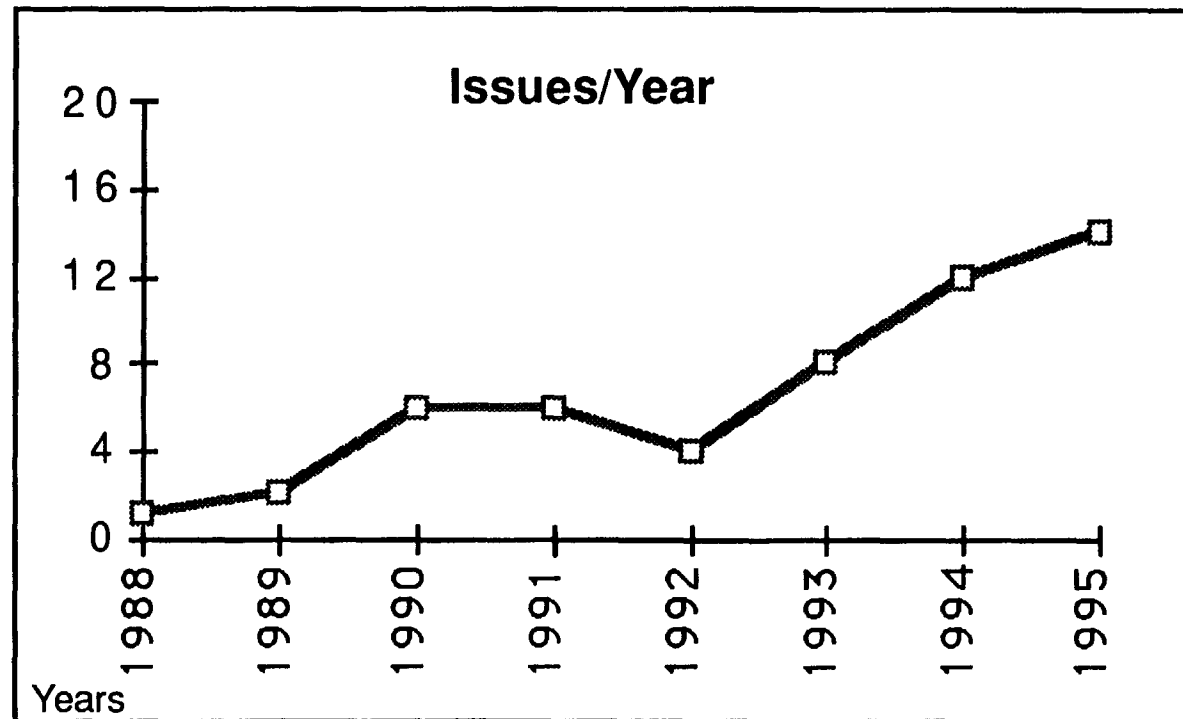
**"120-Day Process"**

1988 - Present		
	Requests Received	Requests Satisfied
ESP	73	32
U S WEST ES	33	3
TOTAL	106	35

# Enhanced Services/CPE Product Review Process

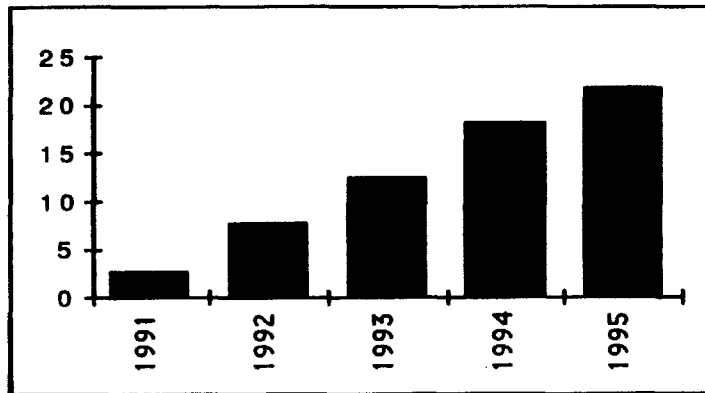


# ONA Newsletter Issues/Year

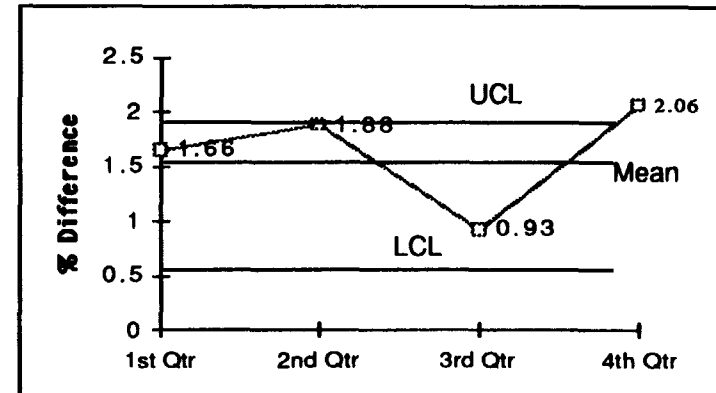


# ONA Compliance by the Numbers

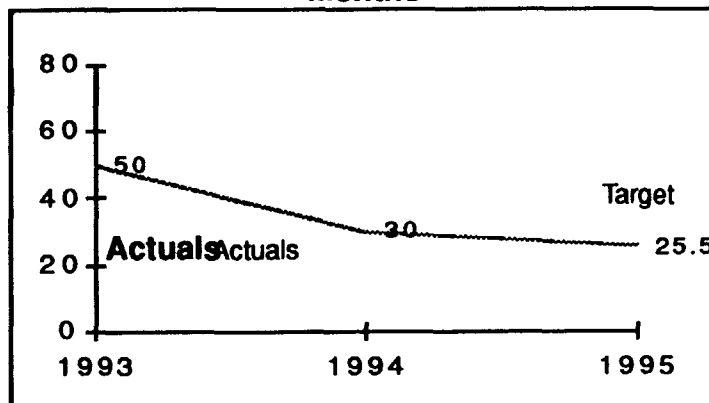
**Annual Revenues**  
\$ Million



**Provisioning Intervals**  
1994 ONA Service Affiliate vs. All Other



**Development/Deployment Cycle Time**  
Months



- New ONA products are being made available to competing ESPs at unprecedented rate.
- Products being brought to customers at fastest rate ever.
- We deliver identical quality ONA services to outside ESPs as to internal affiliates.

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**Video Tape**

**Transcripts**

**U S WEST Creative Services**  
**ONA FCC**  
**DV193-95**

(Gary Ames: President & CEO U S WEST Communications) It's just absolutely critical that we meet the letter of the law and comply with whatever the regulators and the legislators require us to do.

(Dick McCormick: Chairman & CEO U S WEST, Inc.) Hello I'm Dick McCormick and I asked for a minute of your time to emphasize the importance of your work here today. Competition is no longer a threat to our business, it's a reality. It's here and now and tunneling under the streets of our cities. It's a challenge to our ability to listen to our customers, to apply new technologies, to continually improve the work we do and exceed those customers expectations. But this new marketplace also means redefining who our customers are. While some competitors offer alternatives to our network, almost all competitors will also use our network. And being responsive to their needs, as well as to those of our in-user customers, is critical for us to remain a major vendor of network services. Failing to respond to our competitor's network needs could hurt us, not only in the marketplace, but also in the courtroom and in legislative chambers. Learn what we can do and learn what we cannot do. Our future as a company and as individual employees depends on it. Thank You.

(10 second graphic: Your ONA Compliance obligations and additional information are detailed within the ONA training manual. Take time to read and understand this document. ONA is YOUR Business.)

As the information Super Highway takes shape, we will be bombarded with new technology and ideas. Not only will these ideas translate into increased services for our customers, they will open vast new areas of growth for U S WEST, and others who will compete with us in areas like voice mail and other information services. But, these new opportunities are governed by an important set of rules. The FCC has established a series of rules and guidelines. These are the Open Network Architecture Regulations, and it's these regulations that will determine how we will compete in the enhanced services and CPE industries. ONA allows U S WEST to open up our network to competing enhanced service and CPE providers, so that they can buy customized network solutions that meet the needs of their customers.



The second ONA safeguard is Nondiscriminatory Provisioning. Computer inquiry three mandates that we will not discriminate in the provisioning of basic network services to any enhanced service provider. And this involves "technical parity". This means that we will use only standardized hardware and software interfaces to the basic network. And that all enhanced service providers will be able to use these same basic network interfaces. Two: Equal Technical Characteristics for basic services. We must provide equal, technical characteristics to both internal and external enhanced service providers. And three, an equal level of installation maintenance and repair service. The intent is that critical date intervals must be the same for both internal and external providers. We are to show no preference or priority to an internal U S WEST ESP, over an external provider.

(Dwight Opperman: CEO, West Publishing Co.) We have to depend upon the RBOCs to make our new installations for new customers and we have to depend upon them to service our current customers. If they are allowed to compete with us, it does not take an evil mind to believe that they would make the installation for their customer before making the installation for our customer. It also within the realm of competition for them once they receive an installation request from us, to send their sales people in and try to switch the customer from our electronic service to theirs. It could be that the delay in installation could be purposeful to accomplish that end. It does take an evil mind to think that they would tamper with the lines, but who can say when a service failure or interruption is by design or by accident.

(Gary Ames) Fact of the matter is, we don't do business that way. We never have, we never will. We will comply with the regulations, we're gonna serve our customers. And that is not a description of how this company does business.

(Graphic on screen as following dialogue takes place: UNHOOKING is the unjustified, intentional interference with a competitor's contract with a customer.)

Unhooking. OK, has anyone heard of unhooking? Have you heard of slamming? Okay, and slamming is, what?

Tearing down the other customer.

Tearing down the other customer, right. Technically, slamming was a big deal here with the interexchange carriers for a while. They used telemarketers, the telemarketer would sign the customer up to change the interexchange carrier, (graphic off) even though the customer did not in fact think they were ordering it, okay? Transferring the customer from one supplier to another without the customers consent. That's a little bit like unhooking. Unhooking is sort of an industry code word in our industry. The legal concept is, the wrongful interference with someone else's valid contract.

You have to let, I think, the customer call the shot. Are they in the market for this particular service at this time. If they indicate to you that they already have service with another supplier, and they are happy, then get off it, forget it. You can ask them if when they're in the market, if they'd like to have you give them a call or something like that, that's perfectly fine. Or if they are interested in an additional service, that's okay. They're not talking about here now getting out of there old contract. But in any event, we need to try to avoid unhooking or interfering or inducing the customer in any way to break a valid contract that they have with another supplier.

CPNI tells a lot about a customer.

Yeah, like who their favorite dancers are?

Not quite, but let's say you have a customer who subscribes to one of U S WEST's pre-programmed call forwarding services. By the telephone number on the customers service records, you could tell where the call is being forwarded. To U S WEST's voice messaging service, a competitor's voice messaging or good old mom's.

So, your point is . .

The point is that the call-forwarded-to number can give us specific information on the identity of our competitors, and their customers. It's important that our enhanced services and CPE sales and marketing people don't have access to this information. Using this information to convince a competitor's customer to switch to a U S WEST enhanced service, is a serious FCC rule violation called "unhooking". As a service rep, you shouldn't have access to blocked call-forwarded-to numbers, unless you're a network only rep. In that case, it's your job to see that no one else obtains that information, without the proper authority.

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# Open Network Architecture



The U S WEST  
1995-1996 Compliance  
Training Manual for  
Rules Regarding  
Open Network  
Architecture,  
Enhanced Service  
and Customer  
Premises  
Equipment

U S WEST

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## Inside This Open Network Architecture Booklet

This booklet is a brief summary about the Federal Communication Commission's rules concerning Open Network Architecture (ONA), our joint obligation to comply with these rules, and the significance of these rules in today's rapidly changing—and highly competitive—marketplace.

Open Network Architecture (ONA) is a result of the FCC's Computer Inquiry III which provides the ground rules for U S WEST and the other Regional Bell Operating Companies (RBOCs) to "unbundle" the telephone network in innovative ways to benefit consumers. Although called ONA, the scope is enhanced services and allowing consumers to have their network service needs met. ONA provides the regulatory framework in which the RBOCs can compete in the \$500 billion industry of "enhanced services" and "customer premises equipment."

But with that privilege of competing come strict obligations, as a result of U S WEST and the other RBOCs' dual role in the industry as both a supplier and a competitor in the areas of enhanced services and customer premises equipment. ("Enhanced services" are those which employ computerization in order to bring a variety of information to users over the telephone communications network. Customer premises equipment is customer telecommunications equipment such as telephone sets, modems, answering machines.)

In sum, because the RBOCs control the local telephone network yet also are competitors, the FCC created special rules in order to ensure fair competition to all.

As the FCC has stated and courts have agreed, competition in the enhanced services industry will help create a dynamic network for consumers that will be the foundation of the knowledge-based economy of the 21st century.

On October 18, 1994, the Ninth Circuit Court of Appeals issued an order reversing the FCC's decision permitting U S WEST and other RBOCs to offer integrated enhanced services. Even after this decision takes effect, it is important to comply with the rules set forth in this booklet. This is true for two reasons:

- 1) U S WEST will be permitted, by waiver, to continue to offer enhanced services (e.g., voice messaging) on an integrated basis subject to these rules;
- 2) The Court decision does not prevent the integrated offering of customer premises equipment, which is likewise subject to these rules.

In fact, the Court decision will result in heightened scrutiny of U S WEST's compliance capabilities. The decision should result in increased, not decreased, compliance efforts.

On January 11, 1995, the FCC issued an order outlining the conditions for offering new and existing enhanced services by U S WEST and the other RBOCs during remand proceedings. The terms of this limited waiver are:

For *existing* enhanced services, such as voice messaging, BOCs may continue to provide them under approved Comparably Efficient Interconnection (CEI) plans. These are product-specific plans for enhanced services offerings which ensure nondiscriminatory behavior by U S WEST and the availability of specified basic network services to other enhanced service providers. If new basic services are used to provide or transport these enhanced services, or major changes are made in the enhanced service, the BOCs must file amendments to the CEI plans within 60 days.

For existing enhanced services *not* covered by CEI plans, we must file these plans within 60 days (by March 13, 1995). These plans will be placed on

comment cycles and will be considered approved in 90 days unless the Commission notifies us otherwise. We may continue to provide these enhanced services while the FCC reviews them.

For new *enhanced services*, BOCs must file CEI plans. New enhanced services, however, cannot be provided to customers until the plans are approved by the FCC. New enhanced services are defined as any enhanced service that is not being offered to customers as of January 11, 1995.

For existing *market and technical trials*, BOCs may continue activity. However, market trial notifications for these services must be filed within 60 days of the release of the order (March 13, 1995). Market trials must follow the requirements of the BOC Market Trial Order for any proposed new market trials. Market trials will be deemed approved in 90 days unless the Commission notifies the BOCs otherwise.

For our *video dialtone* enhanced services, we will need to file a service-specific CEI plan.

ONA plan amendments will not be required during remand proceedings. Instead, all basic services proposed for use with our own enhanced service must be outlined in the CEI plans for that service.

U S WEST and the RBOCs must continue to comply with all the safeguards outlined in this booklet. For further information on CEI plan requirements and market trial notification requirements, please see the Appendix in this booklet.

The FCC set forth "nonstructural safeguards" which require compliance by U S WEST and its employees, especially those individuals who deal with enhanced services and customer premises equipment or with the underlying network services that support them. These principles can be remembered as:

- 1 Equal Network Interconnection**
- 2 No Preferential Treatment**
- 3 Information Control**
- 4 Advance Disclosure**
- 5 No Subsidization**

Section II in this booklet provides explanations of these principles, along with checklists and real-life case studies about how to apply these principles in work situations.

An integral part of U S WEST's participation in the information super highway during the current Computer Inquiry III Remand proceedings is the FCC's requirement that U S WEST develop and implement Comparably Efficient Interconnection Plans. Part of U S WEST's Compliance plan requires that employees affected by ONA undergo intense training. Also required is that each employee, upon completion of the training, sign an Employee Certificate of Understanding.

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### **This booklet is divided into seven sections.**

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**Section I—Inside This Booklet; U S WEST's ONA Training, Compliance and Discipline Plan; Training Summary At-A-Glance.**

**Section II—ONA Rules At-A Glance; The 5 Principles of ONA.**

**Section III—ONA Product Rules for Managers and Developers; Timeline for New ONA and Enhanced Services; Overview of ONA's 5 Principles for Sales Employees; ONA Services; Current ONA Services; Answers to Quizzes on ONA's 5 Principles.**

**Section IV—If You Have Questions About ONA—Contacts, Resources.**

**Section V—CPE Rules Summary.**

**Section VI—Appendix—Key Dates and Events; Expanded Interconnection and Collocation; CEI Plan Requirements; Market Trial Notification Requirements; Glossary of Usage.**

**Section VII—ONA/CPE Supplement to U S WEST Code of Conduct**

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Keep this booklet handy as a general reference. If you have questions, call the experts, whose job it is to help you do your job well. Compliance managers and other experts are listed in Section IV.



## U S WEST's ONA Training, Compliance and Discipline Plan

**U**S WEST has developed a Training, Compliance and Discipline Plan which outlines the policies and procedures U S WEST will implement to ensure fair competition and provide all enhanced services providers the same access to basic network services.

---

### There are five basic elements contained in the plan:

- 1 ONA training
  - 2 Employee certification
  - 3 Detailed market/service unit and job specific training
  - 4 Compliance audit reviews
  - 5 Disciplinary plan for ONA rule violations
- 

The purpose of U S WEST developing a plan to address training, compliance and discipline is to inform employees of their individual responsibilities for Open Network Architecture compliance. Knowledge and understanding of the FCC's rules concerning ONA enable U S WEST to continue to compete in the information services industry.

The Plan is based on FCC requirements for U S WEST and other Regional Bell Operating Companies (RBOCs). These requirements include implementation of rules of business practice that prohibit preferential treatment for any U S WEST enhanced services operation. The Plan enables U S WEST to meet FCC requirements without creating separate subsidiaries to prevent the possibility of anti-competitive behavior.

The critical nature of the day-to-day conduct of U S WEST employees in observing the rules of compliance cannot be overstated, according to Sandra Sanchez, Director of ONA Compliance. "Indeed, compliance with the FCC rules is one of the most important things U S WEST will be doing over the next several years if

we're going to stay in this growth business," she adds.

At stake are a number of things.

Failure to respond to competitors' network needs can hurt the company not only in the marketplace but also in courtrooms and legislative chambers, where cases are being decided and debates about the involvement of telephone companies in enhanced services and customer premises equipment continue.

How well U S WEST protects the rights of its competitors will determine whether it will be permitted to remain in the rapidly expanding and profitable enhanced services industry.

As Dick McCormick, chairman of U S WEST, Inc., states, "It's important for us to learn what we can and cannot do. Our future as a company and as individual employees depends on it."

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Here are details about the Plan's five elements:

**1. Training:** Annual training is required for all managers. It also is required for all occupational employees of all U S WEST entities who sell or service enhanced products and customer premises equipment, provision network services and/or have access to customer account information containing customer proprietary network information. Employees requiring initial training should do so within 10 days after assuming new responsibilities requiring training, including persons recently promoted, "acting" positions and certain "contract" positions. ONA training is provided by departmental compliance managers. *If an employee is required to undergo ONA training, failure to do so is an ONA violation and subject to disciplinary action.*

**2. Employee Certification:** Upon completion of training—either initially or annually—the employee must sign the "U S WEST Code of Conduct Corporate Policy Coverage Acknowledgement." By signing the acknowledgement form, employees are certifying they understand the responsibilities of compliance with ONA/CPE rules. A copy of the "ONA/CPE Supplement to U S WEST Code of Conduct Corporate Policy Coverage Acknowledgement" which outlines these

responsibilities appears in Section VII of this booklet. Failure to sign the certification is an ONA violation, subject to disciplinary action.

### **3. Detailed Market/Service Unit and Job**

**Specific Training:** Employees who work directly with enhanced information services, customer premises equipment or basic services are required to undergo training to receive detailed information as to how the rules apply to their job function. This training is provided by your Business Unit ONA Compliance Manager or Trainer.

**4. Compliance Audit Reviews:** U S WEST internal auditing periodically conducts reviews to determine compliance with FCC rules, training quality and understanding by employees of the five principles of ONA, the foundation of the Open Network Architecture. These audits identify and investigate alleged ONA violations and result in disciplinary action, if warranted.

**5. Discipline Plan:** Violations of required compliance with the ONA principles generally fall within three areas: Training failures, failure to comply with the ONA principles and attempts to use restricted customer-specific information by those employees involved in the sale, marketing or planning of enhanced services or customer premises equipment. *Disciplinary action includes written reprimands, loss of pay, demotion or dismissal.*

## Training Summary At-a-Glance

Safeguard	Definition	Employee Responsibilities
Equal Network Interconnection	Network facilities (access arrangements) and unbundled features and functions. These are individual items with specific rates.	Document all requests for new ONA services from enhanced services providers on the U S WEST ONA Service Request Application. Send Application to the Vendor Services Center.  ONA product technical liaison contacts enhanced services provider within <b>10 working days</b> as to status of request.
No Preferential Treatment	All internal and external enhanced services providers pay the same price for ONA services.  An equal level of installation, maintenance and repair service in providing basic network services (includes customer service records) can be withheld by customer.	When developing business cases and financial plans for enhanced services, assume public rates (tariff/price list) and "off-premises" treatment for all ONA services. Although U S WEST enhanced services equipment is collocated in a U S WEST central office, a minimum of a two-mile access rate must be imputed on distance sensitive access services.  Give no preference or priority to U S WEST enhanced services and CPE operations over external providers and their customers.  Handle work orders for installation and maintenance of basic network services in a nondiscriminatory manner for all enhanced services and CPE providers.
Information Control	Customer Proprietary Network Information: Individual customer record information about basic network services (includes customer service records) can be withheld by customer.  Aggregated CPNI: A summary of customers' network services information sufficiently combined so the individual customers cannot be identified.	Enhanced services and CPE personnel cannot access restricted CPNI accounts.  <del>Network-only employees cannot provide restricted CPNI to unauthorized personnel, specifically, enhanced services and CPE sales and marketing employees.</del>  Refer requests to Vendor Services Center or CPNI coordinator.  Employees involved in the design, planning, provisioning or sale of enhanced services or CPE cannot use aggregated CPNI without the approval of the CPNI coordinator.  Use of aggregated CPNI by U S WEST enhanced services or CPE personnel is contingent on it being available to competitors under equal terms.
Advance Disclosure	Information about planned changes to the basic network and interfaces that may affect an enhanced services or CPE provider's use of the network must be disclosed before the change.	Network and product-planning employees must contact the network disclosure coordinator to decide whether the network change requires disclosure.  Network disclosure coordinator must inform industry at "make/buy" point. Public must be notified <b>12 months</b> before deployment of market trial or at "make/buy" point. If the make/buy decision is less than 12 months before product introduction or market trial, disclosure must be made to the public and the enhanced services and CPE industries at the same time. No less than <b>six months</b> notice can be given.
No Subsidization	Part 64/32 accounting method that separates costs of regulated and non-regulated activities.	Incorporate Part 64/32 accounting principles when developing financial analysis/business case for each new product.  Enhanced services and CPE product managers/developers work closely with Part 64 accounting representatives to determine whether changes to the Cost Allocation Manual will be required.  All time and expenses associated with planning new nonregulated services must be tracked under Part 64.  Allow at least <b>60 days</b> to prepare Cost Allocation Manual for filing with the FCC. After the filing, another <b>60 days</b> must pass before the new enhanced service can be used.  Part 32 accounting applies to affiliate transactions and asset transfers between U S WEST Communications and affiliates.



## ONA Rules at a Glance

**T**he FCC has instituted five rules governing Open Network Architecture with which U S WEST and its employees must comply. U S WEST must offer all enhanced services and CPE in accordance with these rules.

**Briefly, these five FCC rules of "ONA" are:**

1. Equal Network Interconnection
2. No Preferential Treatment
3. Information Control
4. Advance Disclosure
5. No Subsidization

### Statement of the Rules:

**1. Equal Network Interconnection.** U S WEST will make the *same basic network services* available to all providers of enhanced services and customer premises equipment at the same prices and on the *same terms and conditions*.

**2. No Preferential Treatment.** U S WEST will provide the *same quality and timeliness of basic network services, repair and installation* to our competitors as we do to our own internal enhanced services and customer premises equipment operations.

**3. Information Control.** *Customers have the right to control access to information about the network services they use.* Customers can decide whether or not they want U S WEST employees who sell enhanced services and customer premises equipment or external providers to access their local telephone service records.

**4. Advance Disclosure.** *When U S WEST decides to deploy a new product which provides or relies on a new basic network interface or requires a change to an existing network interface, we must promptly disclose to all other providers of enhanced services and customer premises equipment.*

**5. No Subsidization.** U S WEST will not subsidize our enhanced services and customer premises equipment businesses with revenues from basic service ratepayers.

**Note to U S WEST employees:** Failure to comply with these rules can result in disciplinary action, up to and including dismissal. In addition, U S WEST could be denied its continuing participation in a \$500 billion enhanced services marketplace.

# The Five Principles of ONA

## Principle 1 Equal Network Interconnection.

*U S WEST will make the same basic services available to all providers of enhanced services and customer premises equipment at the same prices and on the same terms and conditions.*

### First, the terms

Before you can apply Principle 1 you must understand what is meant by "enhanced services" and "customer premises equipment."

"Enhanced services" are those services that involve changing, storing or modifying the information on common carrier facilities. An example is Voice Messaging which is carried on U S WEST's basic common carrier network and stores messages and allows subscribers to retrieve those messages. Other examples of enhanced services: FAX store and forward. On-line data base access. Protocol conversion. Level 2 video dialtone. Point of Sale transactions. Audiotex and audio classified services. On-line data base transactions. These enhanced services are in contrast to "basic services," which are "pure transmission" common carrier services. The FCC drew a "bright line" to distinguish between basic and enhanced. Therefore, it is important you understand the distinction. "Customer premises equipment" is simply basic customer telecommunications equipment, for example, telephone sets, PBXs, modems and answering machines.

### The reasons behind Principle 1

Principle 1 stands for equality. Equal network interconnection allows other enhanced services providers to have the same access to network services as U S WEST's own enhanced services operations. The ONA model allows for the "unbundling" of features and functions from the underlying network transport. That means they are offered as individual network components at specific rates. All basic network services provided to external enhanced service providers must provide the same quality, functionality and technical

standards as those used to provide a U S WEST enhanced service.

Before ONA, if an enhanced services provider wished to create an enhanced service, the provider often was limited to buying tariffed network services from U S WEST. And, some of those network services that the provider needed were pre-packaged with services the provider didn't want or need.

Now, when an enhanced services provider requests new or existing network features, U S WEST looks at developing those features. Often the providers want the services in a simpler functional form at a lower rate than the tariff may initially provide. This principle allows providers who rely on the network to transport their information services to their customers to buy the services a la carte in order to build their enhanced service.

### ONA Services are divided into three categories:

- Basic Serving Arrangements (BSAs) or transport
- Basic Service Elements (BSEs) or features and functions
- Complementary Network Services (CNSs) or end user features

For more details, please see Section III.

### A critical part is ONA basic network service

Whenever a basic network service is used to provide an enhanced service, either by U S WEST or another company, that basic service is defined as an "ONA service" and must follow certain

\*Note to U S WEST employee: Failure to comply with Principle 1, Equal Network Interconnection, can result in dismissal and potentially grave injury to U S WEST's business operations.

product requirements. See page 33 for a current list of such services.

ONA basic network services are priced separately and must be made available on the same terms and conditions to any provider of enhanced services—or any other customer—wishing to purchase them. Plus, in order to meet certain compliance requirements, employees involved in marketing—such as product managers and developers—must know if their basic service product is being used as part of an enhanced service.

If an enhanced services provider wants to build a service using network services—and those services aren't yet available as an ONA service—there's a formal evaluation process for creating that new ONA service. And if a U S WEST enhanced services operation requests a new network service, it must be made available to all other enhanced services providers at the same time. (Plus, prior to U S WEST use, during FCC proceedings, the CEI plan must be filed or amended and approved by the FCC.)

### Case study of Equal Network Interconnection

Before ONA, an enhanced service provider sought to order several business lines to connect to his enhanced service and contacted U S WEST to order lines and a hunting arrangement to receive maximum efficiency from the network services. U S WEST sells the business lines, but the hunting is available only in a pre-packaged arrangement, which includes speed dialing and three-way calling. Prior to ONA, the enhanced service provider would have bought unwanted features in order to obtain what the provider needed (unless U S WEST determined on its own to change the tariff

and offer the derived configuration). Such a situation added costs to the enhanced service provider's application because the provider had to purchase the extra features. If a U S WEST enhanced service could have purchased and paid for only the individual feature it needed for the service, U S WEST would have an unfair advantage over the external enhanced service provider. With ONA, providers can order the services a la carte, or "unbundled," and the provider has the same, or equal, interconnection to the network as do U S WEST enhanced services. This "equality" encourages innovation and growth in the telecommunications industry.

### ✓ Checklist for Principle 1 Equal Network Interconnection

- ☐ Service representatives, installers, schedulers and sales personnel are examples of employees who need to pay particular attention to this principle.
- ☐ Know differences in terms "enhanced services," "customer premises equipment," "ONA Services," and what rules apply.
- ☐ Provide equal treatment, including prices, terms, conditions.
- ☐ No preferential treatment to U S WEST.
- ☐ A la carte or "unbundled" services must be made available where technologically feasible, cost feasible and sufficient demand exists.
- ☐ Refer to checklist of ONA services on page 33.
- ☐ To determine if a new service is "basic," "enhanced" or "CPE," ask your line attorney.
- ☐ If you have questions, contact a U S WEST ONA resource (see Section IV, pages 36–37).

- 1 Define the basic elements of Principle 1.

- 2 What is meant by "enhanced services?"

- 3 List three examples of "enhanced services."

- 4 What does "unbundled" mean?

- 5 What is meant by "basic services?"



## Principle 2

## No Preferential Treatment.

*U S WEST will provide the same quality and timeliness of basic network services, repair and installation to our competitors as we do to our internal enhanced services and customer premises equipment operations.*

### No favoritism

**P**rinciple 2 is called the "nondiscriminatory provisioning and maintenance" principle. It stands for service equality and requires U S WEST and its employees to provide the same quality of network services, installation, repair and maintenance to all customers, regardless of their provider of enhanced services or their vendor who supplies customer premises equipment.

Principle 2, No Preferential Treatment, ensures that U S WEST does not favor customers of its own enhanced services and customer premises equipment providers over the customers of outside providers. It applies to all aspects of provisioning basic network services.

### The reasons behind Principle 2\*

**C**ritics and competitors are concerned that because U S WEST controls the telephone network, we might misuse that control in order to favor our enhanced services and customer premises equipment operations. The fact is, our computers automatically set installation and repair intervals. Where employees handle assigning intervals/dispatch, they must do so in a non-discriminatory manner.

In order to comply with Principle 2, U S WEST and its employees must treat every request for service from enhanced services or customer premises equipment providers or their customers the same. That means that U S WEST must apply standard intervals and due dates to service orders and repair requests for basic network services used by enhanced services providers. No special considerations on provisioning and maintenance may be given to salespersons from either U S WEST or other customers. Even our "just say

when" means that scheduling installation and service must be based on the customer request balanced with the workforce load, not on who the customer is or that the customer buys enhanced services or customer premises equipment from U S WEST. Of course, a customer may go through the normal processes of ordering expedited installations; but, the rule prohibits us from accelerating installation because of a promised sale. In all instances, compliance takes precedence.

### Safe Harbor

**I**n the spirit of non-discriminatory installation and maintenance, we offer providers of enhanced services and customer premises equipment the opportunity to conduct business with U S WEST in a "safe harbor" environment. The Vendor Services Center is U S WEST's safe harbor for sales/service for competitive enhanced service providers.

The safe harbor concept provides competitors the assurance that their order activity and network planning (and any relevant information shared with U S WEST) is not shared with or used by our enhanced services or customer premises equipment groups in a competitive manner.

### Standardization is key

**P**rinciple 2 requires U S WEST to use standardized hardware and software when connecting to the network. And the same technical characteristics must be available to both internal and external enhanced services and customer premises providers so they can interconnect.

\*Note to U S WEST employee: Failure to comply with Principle 2, No Preferential Treatment, can result in dismissal and potentially grave injury to U S WEST's business operations.